

April 25, 2001

Mr. J. William Lessig  
Plant Manager  
Honeywell Specialty Chemicals  
P.O. Box 430  
Metropolis, IL 62690

SUBJECT: NRC LICENSEE PERFORMANCE REVIEW (LPR)  
HONEYWELL SPECIALTY CHEMICALS

Dear Mr. Lessig:

In April of 2001, the Nuclear Regulatory Commission (NRC) staff completed a review of your program to conduct activities licensed by the NRC for February 20, 1999 to January 31, 2001. This letter gives you the results of the review. These results will be used as a basis for establishing the NRC oversight program for your conduct of licensed activities during the next two years.

The NRC evaluated your performance in the following four major areas: safety operations, radiological controls, facility support, and special topics. A summary of the strengths, areas needing improvement, and challenges is enclosed.

Our review determined that Honeywell Specialty Chemicals continued to conduct its activities safely during the review period. However, the NRC again noted a weakness in your staff's adherence to procedures that implement regulatory requirements and license conditions. This performance weakness has been brought to your attention at our two previous performance review meetings on June 12, 1997 and May 19, 1999. The continued weakness was demonstrated by issues regarding the training of railroad workers early in the evaluation period, and issues related to maintenance of cylinder haulers identified late in the evaluation period. You should be prepared to discuss what efforts you have undertaken to address this performance weakness at the performance review meeting.

The NRC considered the low radiation exposures at your facility to be a strength. The NRC also identified challenges in performance, where safety performance has recently improved and needs to be maintained. Examples of challenges include ensuring that offsite emergency response program initiatives continue and that components relied on for safety continue to be properly labeled in the field and on drawings.

The results of the review will be discussed with you during a meeting open to the public that will be held at the Massac County Courthouse on May 16, 2001, at 1:00 p.m. During that meeting, we request that you discuss your view of your performance in the same major areas.

Based upon this review, the NRC has decided to maintain the current level of inspection at your facility; the current level of inspection is the risk-informed core inspection program for a uranium conversion facility.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available **electronically** for public inspection in the NRC Public Document Room **or** from the *Publicly Available Records (PARS) component of NRC's document system (ADAMS)*. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Questions and comments about NRC's review of Honeywell Specialty Chemical's performance should be referred to Mr. Monte Phillips, who can be reached at telephone (630) 829-9806 or by e-mail at [mpp@nrc.gov](mailto:mpp@nrc.gov).

Sincerely,

**/RA/**

J. E. Dyer  
Regional Administrator

Docket No. 04003392  
License No. SUB-526

Enclosure: Summary Outline

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of Nuclear Safety

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**LICENSEE PERFORMANCE REVIEW FOR HONEYWELL SPECIALTY CHEMICALS**  
**PERFORMANCE PERIOD: FEBRUARY 20, 1999 - JANUARY 31, 2001**

**1. Safety Operations (Comprised of Chemical Safety, Fire Protection, and Plant Operations)**

Program Strengths

- None

Program Areas Needing Improvement

- Adhering to procedural requirements that implement regulatory requirements and license conditions

Projected Challenges to Performance

- Ensuring that components relied on for safety continue to be properly identified and labeled in the field and on drawings

**2. Radiological Controls (Comprised of Radiation Protection, Environmental Protection, Waste Management, and Transportation)**

Program Strengths

- Individuals' exposures significantly below NRC regulatory limits

Program Areas Needing Improvement

- None

Projected Challenges to Performance

- None

**3. Facility Support (Comprised of Maintenance/Surveillance, Management Organization and Controls, Training, Emergency Preparedness)**

Program Strengths

- None

Program Areas Needing Improvement

- None

Projected Challenges to Performance

- Ensuring that engineered safety features and facility preventive maintenance and surveillance practices meet industry standards for equipment performance
- Ensuring that the offsite emergency response program continues to meet licensee expectations

**4. Special Topics**

Program Strengths

- None

Program Areas Needing Improvement

- Submitting to the NRC sufficient licensing information to facilitate an effective regulatory review

Projected Challenges to Performance

- None